



INDUSTRIAL COMMISSION'S INTEGRATED CASE MANAGEMENT SOLUTION PROJECT

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Implementation of an Integrated Case Management Solution

- Day-to-day operations are highly dependent upon labor-intensive processes involving data entry in a variety of imperfectly integrated applications.
- The current system is older than most of the employees that work at the Commission.
- Developed in the late 1960s.

Implementation of an Integrated Case Management Solution

- The new system will integrate as many functions as possible into a single interface with both internal and external user and customer access, and where necessary, will interface with existing systems.
- The new system should:
 - Improve efficiency and reporting capabilities;
 - Reduce costs;
 - Provide the workers' compensation system with increased transparency and accessibility.

Implementation of an Integrated Case Management Solution— Potential Cost

- An accurate cost of this project will not be known until the Commission receives responses to a Request for Proposals (“RFP”).
- An RFP cannot be prepared and released until there is a secure fund source for the project.
- To date, the Commission is using the best available information as the basis for the \$4.2 Million estimate based upon a non-binding Request for Information (“RFI”) and the experiences of other agencies.
- The cost estimates in the RFI ranged from \$234K to \$12M upfront, with some estimates including costs for subsequent years ranging from \$15K to \$2M.
- The Commission gave less weight to the lowest and highest estimates in determining a reasonable estimate.

Integrated Case Management System—Timeline to RFP

#	Completion Date	Description of Analysis Tasks	Output
1	Business Analysis Support Planning		
	11/7/2017 11/13/2017 11/17/2017	1. Develop current state context diagram 2. Develop Business Analysis Support plan 3. Review Business Analysis Support Plan	<ul style="list-style-type: none">Business Analysis support planContext Diagram
2	Goals and Scope Analysis		
	12/08/2017	1. Validate goals and scope with the project stakeholders	<ul style="list-style-type: none">Validated goals and scope
3	Process Analysis		
	11/24/2017 12/22/2017	1. Analyze the existing Process Maps 2. Conduct Process validation workshops <ul style="list-style-type: none">a. Analyze and Validate As Is Process Mapb. Analyze and Validate To be Process Map	<ul style="list-style-type: none">Validates process mapsValidated Functional Decomposition diagram
4	Requirements Analysis		
	01/05/2018 01/12/2018 02/05/2018 02/13/2018	1. Analyze the existing requirements 2. Prepare and send Pre-Workshop Survey questionnaire 3. Conduct Requirements Validation and Prioritization workshop <ul style="list-style-type: none">a. Validate requirementsb. Prioritize the requirements 4. Validate the completeness of Requirements Collection	<ul style="list-style-type: none">Requirements Document
5	RFP Requirements		
	02/23/2018 03/02/2018	1. Prepare the RFP content 2. Validate the RFP requirements	<ul style="list-style-type: none">RFP content
6	Data Analysis and Migration Planning (as required)		
		1. Analyze and document the high-level data elements in the existing systems 2. Prepare the high-level data elements that needs to be migrated to the new solution 3. Validate the data elements documentation	<ul style="list-style-type: none">Findings from data migration analysis and recommendations

Implementation of an Integrated Case Management Solution— Funding the Project

- In the Appropriations Act of 2017, Session Law 2017-57, Section 15.19, the General Assembly established a process for the gradual funding of a project to replace the Commission's case management system.
- This project will be funded through both receipts and appropriated funds over four years, through June 30, 2021.

Implementation of an Integrated Case Management Solution— Funding the Project

- The General Assembly allocated \$750,000 per year over four years—a total of \$3,000,000—for the project from the funds appropriated to the Commission.
- The General Assembly authorized the Commission to retain additional revenue up to \$1,200,000 of the fee charged to parties for the filing of compromise settlement agreements.
- The authorization to retain the additional revenue from this fee expires on June 30, 2021.

Implementation of an Integrated Case Management Solution—Funding the Project

- The Commission took preliminary steps to initiate the rulemaking process to temporarily increase the \$400.00 compromise settlement fee by \$30.00 from March 1, 2018 to June 30, 2021, to ensure collection of the funds necessary for this project.
- After discussion and review with the budget office at the Department of Insurance and the Office of State Budget and Management, we have developed a solution to fund the \$1.2 Million without any increase in fees.
- The Commission intends to withdraw the proposed rulemaking as soon as all funds are transferred from the Department of Commerce to the Department of Insurance and the appropriate budget line account is established and operational.

Implementation of an Integrated Case Management Solution— Funding the Project

- Pursuant to Rule 04 NCAC 10E .0203, the plaintiff and defendant each pay half of the compromise settlement fee, but the defendant submits the entire fee when the compromise settlement is submitted to the Commission.
- The defendant may then take a credit against the settlement amount to be paid for plaintiff's half of the fee or, as happens frequently, the defendant may agree to pay the entire fee as part of the settlement agreement.
- The last increase to the fee was a \$25 increase that took effect on November 1, 2014, as part of a major fee restructuring.

Compromise Settlement Processing Fee — Fees Collected

FY	Number of CSAs	CSA fee	CSA receipts (approximate)
16-17	12,576	\$400	\$5 Million (OSBM fee report not available yet)
15-16	12,335	\$400	\$4.96 Million
14-15	12,495	\$375 until November 1, 2014, then \$400	\$4.67 Million
13-14	12,160	\$375	\$4.55 Million
12-13	12,263	\$375	\$4.59 Million
Average	12,366		\$4.76 Million



NC DEPARTMENT OF
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Compromise Settlement Processing Fee— Certified Budget vs. Actual Receipts

Fiscal Year	Revenue account	Certified Budget	Actual Receipts*
16-17	435900032	3,976,367.00	2,514,533.33 (CSA fees only)
16-17	435900058	1,957,578.00	2,511,650.00
15-16	435900032	3,860,000.00	2,464,933.33 (CSA fees only)
15-16	435900058	1,957,578.00	2,478,675.00
14-15	435900032	3,860,000.00	2,450,925.00 (CSA fees only)
14-15	435900058	1,957,578.00	2,337,460.00
13-14	435900032	3,860,000.00	2,432,000.00 (CSA fees only)
13-14	435900058	1,457,578.00	2,124,100.00
12-13	435900032	No certified budget amount	2,452,225.00 (CSA fees only)
12-13	435900058	81,737.00	2,140,389.00

***The first \$200 of each CSA fee goes into Account 435900032 along with other kinds of fees. The remainder of the fee goes into Account 435900058. The Chart represents the Actual Receipts in Account 435900032 and Account 435900058 from the CSA fee only. Other fees added into Account 435900032 have been left out for purposes of this presentation.**

Additional Questions

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